

No. 2658322

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

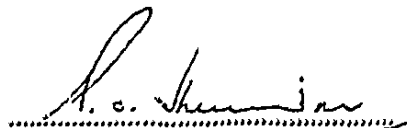
MGN PENSION TRUSTEES LIMITED

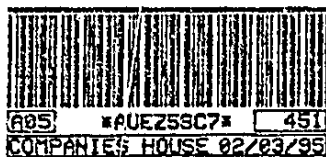
Effective 18 February 1995

The following resolutions were duly agreed to by the members of the Company in accordance with Section 381A of the Companies Act 1985 as Special Resolutions with effect from 18 February 1995.

RESOLUTIONS

1. **THAT**, pursuant to Section 4 of the Companies Act 1985, the Memorandum of Association of the Company be altered by deleting the words "Mirror Group Newspapers plc" in paragraph 3 and replacing them with the words "Mirror Group PLC" to reflect that company's change of name.
2. **THAT**, pursuant to Section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document attached to this Resolution and for the purpose of identification signed by the Chairman be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.


Chairman



THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
MGN PENSION TRUSTEES LIMITED**

**Travers Smith Braithwaite
10 Snow Hill
London EC1A 2AL**

Telephone 071-248 9133



Chairman

THE COMPANIES ACTS 1985 to 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

MGN PENSION TRUSTEES LIMITED

1. The Company's name is "MGN Pension Trustees Limited".
2. The Company's registered office is to be situated in England and Wales,
3. The Company's objects are to act as, undertake and carry on the office or offices and duties of trustee, custodian trustee, executor, administrator, liquidator, receiver, manager, agent, attorney or nominee of, the Mirror Group Pension Scheme, the MGN Past Service Pension Scheme and the MGN Pension Scheme and any other pension scheme set up for past, present or future employees of Mirror Group PLC (Registered No. 168660), its subsidiaries (as defined in Section 736 of the Act) or its associated companies (as defined in Section 416 of the Income and Corporation Taxes Act 1988) and their dependents ("the Schemes") and to exercise all duties and powers vested in the trustee under the provisions of the Schemes and to that end shall have the following powers:-
 - (a) to invest and deal with the monies of the Company not immediately required for the purposes of the Company in such manner as from time to time be determined and to hold or otherwise deal with any investments made;
 - (b) to borrow and raise money in accordance with the terms of the Schemes and secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
 - (c) to do all or any of the things or matters aforesaid in any part of the world either as principal, agent, contractor or otherwise, and by or through agents, as brokers, sub contractors or otherwise and either alone or in conjunction with others; and
 - (d) to do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND SO THAT:-

- (1) The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- (2) In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the members is limited.
5. The Company's share capital is £1,000 divided into 1,000 shares of £1 each.

Amended by special resolution dated []

On 6th November 1992 the Company cancelled 986 ordinary shares of £1 each pursuant to Section 121(2)(e) of the Companies Act 1985 leaving an authorised share capital of £14 divided into 14 ordinary shares of £1 each.

We, the Subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
1. Instant Companies Limited 2 Batches Street London N1 6UB	ONE
2. Swift Incorporations Limited 2 Batches Street London N1 6UB	ONE
TOTAL SHARES TAKEN	TWO

DATED THIS 8TH DAY OF JULY 1991

Witness to the above signatures:-

Mark Anderson
2 Batches Street
London N1 6UB

THE COMPANIES ACTS 1925 to 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MGN PENSION TRUSTEES LIMITED

(Company Number 2658322)

(Adopted by special resolution dated [] 199[])

Definitions and Interpretation

1.1 In these Articles the following words and phrases have the following meaning unless the context requires otherwise:

Act: the Companies Act 1985;

"A" Director: an "A" Director named in, or appointed in accordance with, Article 2.2;

"B" Director: a "B" Director named in, or appointed in accordance with, Article 2.3;

"C" Director: a "C" Director named in, or appointed in accordance with, Article 2.4;

board status: any individual who is a director of Mirror Group or any subsidiary or holding company of Mirror Group or of any other company which in either case is a participating employer in the Scheme; and for the purpose of these Articles, the expressions "subsidiary" and "holding company" bear the meanings given to them in section 736 of the Act;

Directors: the "A" Directors, "B" Directors and "C" Directors and (except where the context requires) the Chairman taken together;

editorial: journalists involved in the creation and origination of words, pictures, graphics, illustrations, layout, art and design of all and any of Mirror Group's publications and/or in any activities ancillary thereto;

Employer Shareholder: Mirror Group, any transferee of Mirror Group (being a subsidiary or holding company of Mirror Group), or any nominee for Mirror Group that is a participating employer in the Scheme, that does from time to time become a shareholder of the Company;

Maxwell Company: at any time any private or public limited company including Mirror

Group and Maxwell Communication Corporation Plc which at that time was controlled (as defined in section 346(5) of the Act) by Ian Robert Maxwell MC, Ian Robert Charles Maxwell, Kevin Francis Herbert Maxwell or any persons connected with any of them (within the meaning given in section 346 of the Act).

Mirror Group: Mirror Group plc (registered No. 168660);

Old Scheme: the Mirror Group Pension Scheme;

Scheme the MGN Pension Scheme and (where applicable) the MGN Past Service Pension Scheme.

1.2 In these Articles, where the context allows:

1.2.1 words in the singular shall include the plural (and vice versa);

1.2.2 words of one gender or in the neuter shall include the masculine, feminine and neuter; and

1.2.3 references to legislation shall include modifications, pre-enactments and re-enactments of and regulations made under that legislation.

1.3 Headings above or at the beginning of text are for convenience only and shall not affect the interpretation of that text.

PART I: DIRECTORS AND BOARD PROCEDURES

Appointment and Removal of Directors

2.1 The maximum number of Directors shall be fifteen, provided always that no person may be a Director or Chairman of the Company if that person:-

2.1.1 was a trustee (or a director of a company which was a trustee) of any pension scheme at any time before 6 December 1991 being a time when that scheme related to employment with a Maxwell Company; and/or

2.1.2 is, whether directly or indirectly, beneficially interested in or holds 3 per cent. or more in value of any class of stock, shares, debentures or other securities of Mirror Group or any Employer Shareholder or any of their respective subsidiaries or holding companies from time to time; and/or

2.1.3 is the secretary of the Company.

2.2 "A" Directors

2.2.1 The Employer Shareholder shall be entitled to appoint up to a maximum of seven Directors (the "A" Directors) to hold office at any time, and to remove from office any "A" Director and to fill the office of any "A" Director who dies, resigns, or otherwise ceases to be an "A" Director in accordance with the provisions of these Articles.

2.2.2 The seven "A" Directors at the date of the adoption of these Articles are Terry Connor, John Hample, Mike Shaw, Malcolm Speed, Frank Stark, Paul Vickers and Charles Wilson.

2.2.3 Any appointment or removal under this Article shall be made by written notice to the Company under the hand of any director of the Employer Shareholder and any such appointment or removal shall take effect from the date on which such notice is lodged at the registered office of the Company or such later date, if any, as is specified in the notice.

2.2.4 On any resolution proposed at a general meeting of the Company's shareholders to remove an "A" Director from office, each "A" Share shall carry the right to cast two votes on that resolution.

2.3 Appointment of "B" Directors

2.3.1 Contributing members of the Scheme ("the electorate") shall be entitled to appoint up to a maximum of five Directors in accordance with the following provisions of this Article.

2.3.2 The five "B" Directors at the date of the adoption of these Articles are Martin Hannah, Roy Hutchison, Tom Mackay, Crawford McAfee and Neil White. If any of them or the successor of any of them ceases to be a "B" Director for any reason whatsoever a new "B" Director or new "B" Directors shall be appointed in accordance with Article 3.3.

2.3.3 The electorate shall be divided into the following constituencies:-

(a) Canary Wharf (editorial staff);

(b) Canary Wharf (non-editorial staff);

(c) the employees of Mirror Colour Print Limited, Mirror Colour Print (Oldham) Limited and Mirror Colour Print (Watford) Limited (but excluding any person who is eligible to vote as a member of any other constituency);

(d) Scotland (editorial staff); and

(e) Scotland (non-editorial staff).

2.3.4 The electorate in each constituency shall be entitled to appoint one "B" Director in respect of that constituency.

2.3.5 The Employer Shareholder shall administer and bear the costs of the election of each of the "B" Directors from the five constituencies including, but without limitation, the fees and expenses of the Scrutineers (as defined in Article 2.3.11). Each election shall take place in the manner provided by this Article as amended or supplemented from time to time by the Directors with, in the case of an amendment or supplement increasing the cost of such election, the consent of the Employer Shareholder (such consent not to be unreasonably withheld or delayed).

2.3.6 Each member of the electorate shall be entitled to one vote which must be cast in the constituency in which the member is employed and in no other constituency.

2.3.7 Notices in writing shall be given by the Employer Shareholder in such manner as the Directors may prescribe from time to time to members of the relevant constituency inviting them to nominate in writing within 14 days thereof a member of the electorate who is employed or is deemed to be employed at that constituency to stand for election as a "B" Director of the Company for that constituency. The notice shall include an invitation to candidates to prepare an election statement for distribution to all members of the relevant constituency in accordance with Article 2.3.10. No individual who is nominated and has board status will be permitted to stand for election. An individual must be nominated by at least ten members of the constituency to be permitted to stand for election as a "B" Director.

2.3.8 If no nominations are received by the date that the time for the making of nominations has expired, the Employer Shareholder shall reissue notices to the electorate in the relevant constituency within 14 days of that date (or such longer period as the remaining "B" Directors may agree) repeating the invitation to nominate.

2.3.9 If only one valid nomination is received by the date that the time for the making of nominations has expired, that nominee will be appointed as a "B" Director without the need for a secret ballot to be conducted in accordance with Article 2.3.10.

2.3.10 Subject to Articles 2.3.8 and 2.3.9 the Employer Shareholder shall organise a secret ballot to be conducted no earlier than 7 days and no later than 21 days after the time for the making of nominations has expired. The Employer Shareholder shall ensure that, subject as provided in this Article, the secret ballot will take place at the principal workplace of each employee in the constituency concerned unless there are five or fewer members of the electorate whose principal place of work that is in which case it will be conducted by postal ballot. The Employer Shareholder shall procure that all votes, whether by postal ballot or ballot at a workplace other than the main workplace in a constituency, are forwarded to the main workplace in that constituency which shall be noted in the relevant written ballot notice. If any member of the electorate is:-

- (a) accustomed to work at a place which is not the principal workplace of the constituency; or
- (b) on secondment or assignment from his normal workplace; or
- (c) on holiday; or
- (d) on sick leave; or
- (e) otherwise absent with the leave or at the request of his employer,

such member of the electorate shall be entitled to vote by postal ballot or be able to appoint an appropriate proxy to vote on his behalf at the appropriate workplace of the constituency.

Notice in writing shall be given in the manner prescribed by the Directors to the members of each constituency giving details of the time and place of the ballot, the list of candidates for election, copies of each candidate's election statement (if any), the method of voting and the basis of calculation of votes. The ballot shall be open for such time as the notice prescribes but in any event shall be open for at least 7 days.

2.3.11 The Electoral Reform Society or such other independent person or body as the Directors may decide shall be appointed by the Employer Shareholder to act as independent scrutineers ("the Scrutineers"). Immediately following the conclusion of the secret ballot the Scrutineers shall count such votes as have been cast and shall verify that the ballot has been conducted in accordance with the procedures provided in this Article 2.3 as supplemented from time to time by the Directors and shall verify the result of the ballot. The individual in each constituency who receives the most votes shall be elected as the "B" Director of the constituency concerned.

2.3.12 Notice in the manner prescribed by the Directors shall be given by the Directors to the electorate of the results of the election as soon as is practicable after the Scrutineers have verified the result of the ballot. The decision of the Scrutineers shall be final. Any appointment under this Article shall take effect from the date on which the notice referred to above is issued by the Directors to the electorate.

2.3.13 If the Employer Shareholder fails to seek nominations within 28 days of the date on which a "B" Director ceases to hold office or the date of retirement referred to in Article 3 or to conduct a ballot in accordance with this Article or to comply with Article 2.3.7 above, the remaining "B" Directors may organise an election upon the same basis subject to reimbursement by the Employer Shareholder of all costs and expenses involved in holding such elections.

2.3.14 On any resolution proposed at a general meeting of the Company's shareholders to remove a "B" Director from office, each "B" Share shall carry the right to cast five votes on that resolution.

2.4 Appointment of "C" Directors

2.4.1 Members of the Scheme and the Old Scheme who are in receipt of a pension payable under the Scheme or the Old Scheme but excluding persons receiving a spouse's or dependant's pension ("the Pensioners") and the deferred Pensioners (being persons who at the date of the notice referred to in Article 2.4.4 are not in pensionable service under the Scheme or the Old Scheme but who have a deferred or contingent entitlement to receive a pension payable under the Scheme or the Old Scheme) shall be entitled to appoint up to a maximum of two Directors in accordance with the following provisions of this Article. The two "C" Directors at the date of the adoption of these Articles are Bill Elwell-Sutton and Alan Shillum.

2.4.2 The Employer Shareholder shall administer and bear the costs of a postal ballot for the election of each of the "C" Directors including, but without limitation, the fees and expenses of the Scrutineers as defined in Article 2.3.11. Each election shall take place in the manner provided by this Article 2.4 as amended or supplemented from time to time by the Directors with, in the case of an amendment or supplement increasing the cost of such election, the consent of the Employer Shareholder, (such consent not to be unreasonably withheld or delayed).

2.4.3 Each Pensioner and deferred Pensioner shall be entitled to one vote in respect of each vacancy for a "C" Director.

2.4.4 Within 31 days after the date on which the "C" Directors or the "C" Director concerned ceases to be a Director notices in writing shall be given in such manner as the Directors may from time to time prescribe to the Pensioners and those deferred Pensioners whose respective addresses are known to the Company as trustee of the Old Scheme and the Scheme by the relevant date ("known deferred Pensioners"), inviting them to nominate in writing within 28 days of the date of the notice a Pensioner or deferred Pensioner, resident in the United Kingdom, to stand for election as a "C" Director. The notice shall include an invitation to candidates to prepare an election statement for distribution to all members of the electorate in accordance with Article 2.4.7. An individual must be nominated by at least five Pensioners and/or known deferred Pensioners to be permitted to stand for election.

2.4.5 If no nominations are received by the date that the time for the making of nominations has expired, or if the only individual nominated is nominated by fewer than five Pensioners and/or known deferred Pensioners, the notice inviting nominations shall be reissued by the Employer Shareholder within 14 days of the end of the earlier period.

2.4.6 If only one valid nomination is received by the date that the time for the making of nominations has expired in any election, that nominee will be appointed as a "C" Director without the need for a postal ballot to be conducted in accordance with Article 2.4.7 in respect of that vacancy. For the avoidance of doubt, in the event that two vacancies for "C" Directors are to be filled at the same time,

(a) if by the time for the making of nominations has expired, two valid nominations only have been received, both nominees shall be appointed as "C" Directors without the need for a postal ballot to be conducted in accordance with Article 2.4.7;

(b) if by the time for the making of nominations has expired, one valid nomination only has been received, that nominee shall be appointed as a "C" Director without the need for a postal ballot to be conducted in accordance with Article 2.4.7 and a notice inviting nominations shall be re-issued in accordance with Article 2.4.5 in respect of the remaining vacancy only.

2.4.7 Subject to Articles 2.4.5 and 2.4.6 the Employer Shareholder shall organise a postal ballot no earlier than 7 days and no later than 21 days after the time for the making of nominations has expired. Notice in writing shall be given by the

Employer Shareholder in the manner prescribed by the Directors to the Pensioners and the known deferred Pensioners giving details of the ballot, the list of candidates for election, copies of each candidate's election statement (if any), the method of voting, and the basis of calculation of votes, in each case as determined by the Directors. The ballot shall be open for 14 days or such longer period as the notice prescribes.

2.4.8 Scrutineers (as defined in Article 2.3.11) shall be appointed by the Employer Shareholder. Immediately following the conclusion of the ballot, the Scrutineers shall count such votes as have been cast and shall verify that the ballot has been conducted in accordance with the procedures provided in this Article 2.4 as supplemented from time to time by the Directors and shall verify the result of the ballot. The individual in each election who receives the most votes shall be elected as a "C" Director.

2.4.9 Notice in the manner prescribed by the Directors shall be given by the Directors to the Pensioners and the known deferred Pensioners of the results of the election(s) as soon as is practicable after the Scrutineers have verified the result of the ballot. The decision of the Scrutineers shall be final. Any appointment under this Article shall take effect from the date on which the notice referred to above is issued by the Directors to the Pensioners and known deferred Pensioners.

2.4.10 On any resolution proposed at a general meeting of the Company's shareholders to remove a "C" Director from office, each "C" Share shall carry the right to cast seven votes on that resolution.

Retirement and Removal from office

3.1 The "A" Directors shall not be required to retire by rotation. The "B" Directors and the "C" Directors shall be required to retire by rotation in accordance with the provisions of this Article. Unless otherwise provided by these Articles, elections to appoint "B" Directors in respect of the two Scottish constituencies shall take place in October 1995, elections in respect of the two Canary Wharf constituencies shall take place during October 1997 and an election in the Mirror Colour Print constituency shall take place during April 1995. Elections to appoint the "C" Directors shall take place in September 1996. Subject to Article 3.3 below, every three years after his respective election date, each "B" Director and each "C" Director shall retire and elections in accordance with Article 2.3 and 2.4 respectively shall be held to appoint new "B" Directors and "C" Directors (as the case may be). Retiring "B" Directors and "C" Directors may, subject to the terms of these Articles, offer themselves for re-election and shall remain in office until such time as the elections referred to above have taken place at which time they shall, unless re-elected, automatically cease to hold office when the new directors have taken up office.

3.2 The office of a Director shall be vacated if:-

3.2.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;

3.2.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;

3.2.3 he is, or may be, suffering from mental disorder and either:-

(a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or

(b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

3.2.4 he resigns his office by notice to the Company;

3.2.5 he shall have been absent without the permission of his fellow Directors from at least three consecutive meetings of Directors and, at a meeting of the board duly convened for the purpose, at least eleven of the Directors then present resolve that his office shall be vacated;

3.2.6 any "B" Director ceases to be employed by Mirror Group or any other company participating in the Scheme. Provided always that where the "B" Director concerned has been made subject to compulsory redundancy or he alleges that he ceased to be employed by reason of wrongful or unfair dismissal, the Employer Shareholder shall, within 21 days of the "B" Director ceasing to be employed, send a notice in writing (in a form as the Directors shall prescribe and at the cost of the Employer Shareholder) to all members of the "B" Director's constituency informing them of the cessation of his employment and of their right to call for a by-election in accordance with the terms of Article 3.5. His office as Director shall then only be vacated if he is not re-elected in a by-election, if any, called under Article 3.5 or if eleven Directors so vote at a meeting of the board of Directors. If no by-election is called under Article 3.5 or if a by-election is held and the "B" Director is confirmed in office, or no vote is taken by at least eleven Directors as described in this Article such "B" Director shall only remain in office until the next due triennial election to be held in accordance with Article 3.1 and shall not be eligible to offer himself for re-election at that time. Provided however that if a court of law of first instance or an industrial tribunal finds that his dismissal was not unfair or wrongful or his redundancy was made for valid commercial reasons then the "B" Director in question shall vacate office immediately;

3.2.7 any "C" Director ceases to be a deferred Pensioner (as defined in Article 2.4.1 above) by reason of his rejoining the Scheme as an active member, or ceases to be resident or ordinarily resident in the United Kingdom;

3.2.8 in the case of any "B" or "C" Director he transfers all of his accrued benefits out of the Old Scheme and the Scheme;

3.2.9 any "B" Director while remaining an employee of any company participating in the Scheme ceases to be an active member of the Scheme whilst leaving his

deferred benefits in the Scheme, provided that such "B" Director shall be eligible to be nominated for election as a "C" Director;

3.2.10 he dies;

3.2.11 in the case of any "B" or "C" Director he is given board status; or

3.2.12 he falls within the exclusions defined in Articles 2.1.1, 2.1.2 or 2.1.3 above.

- 3.3 A by-election shall be held in accordance with the procedures set out in Article 2.3 or 2.4, as appropriate, if any "B" Director or "C" Director vacates office. Subject to Article 3.2.6, if a by-election is held as required under the Articles and takes place fewer than twelve months before the next relevant triennial election would otherwise take place under Article 3.1 (the "next due triennial election"), the person(s) elected in the by-election(s) shall not be required to retire by rotation at that next due triennial election but shall be entitled, subject to these Articles, to remain in office until the following relevant triennial election is due to take place in accordance with Article 3.1.
- 3.4 If a "B" Director is promoted to a higher office in his employment during his term of office as a "B" Director the members of the electorate from the "B" Director's constituency may call for a by-election in accordance with the terms of Article 3.5.
- 3.5 A by-election shall only be held following a "B" Director ceasing to be employed in the circumstances specified in Article 3.2.6 or on a "B" Director's promotion as described in Article 3.4 to confirm the relevant "B" Director in office or to appoint a successor, as the case may be, if a petition calling for such a by-election and signed by not fewer than 25 members of that B director's constituency is sent by post to the Chairman at the registered office of the Company within six months of the Director ceasing to be employed or being promoted. Such by-election, if required, shall be conducted in the manner set out in Article 2.3 except that the notice inviting nominations shall be given not more than two months following the lodging of such petition.

Replacement Directors

4. If any Director ceases to be a Director in accordance with the terms of these Articles:-
- 4.1 in the case of an "A" Director, he shall be replaced, in accordance with Article 2.2;
- 4.2 in the case of a "B" Director, those continuing "B" Directors present at any meeting of the Board shall collectively have one additional vote on any issue considered at that meeting on which they are unanimously agreed until such time as a replacement "B" Director is appointed;
- 4.3 in the case of a "C" Director, the remaining "C" Director present at any meeting of the Board shall have one additional vote on any issue considered at that meeting until such time as a replacement "C" Director is appointed. In no circumstances

shall there be more than two "C" Directors in office at any one time.

Alternate Directors

- 5.1 Any Director (other than an alternate director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Any appointment or removal of an alternate director shall be by written notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors. An appointment may be made for such specific purposes as a Director specifies in the notice of appointment.
- 5.2 A Director, may act as an alternate Director to represent more than one Director except that an "A" Director may act as an alternate for no more than two other "A" Directors.
- 5.3 An alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member and in respect of which his appointment is valid and to attend any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence. An alternate director shall not be entitled to receive any remuneration from the Company for his services as an alternate director. It shall not be necessary to give notice of any meeting to an alternate director who is absent from the United Kingdom.
- 5.4 An alternate director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.
- 5.5 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director; but, if a "B" or "C" Director retires by rotation but is reappointed, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 5.6 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

Remuneration of Directors and Directors' Expenses

- 6.1 The Chairman (but for the avoidance of doubt no other Director) shall be entitled to such remuneration, if any, as the shareholders may by ordinary resolution determine.
- 6.2 The Directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or meetings of the shareholders or class meetings or otherwise in connection with the discharge of their duties.

Proceedings of Directors

- 7.1 The Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. Not less than 7 days' written notice of a board meeting shall be given except that the Directors may authorise the secretary to call board meetings by such procedure (otherwise than by giving at least 7 days' written notice and which may include reasonable endeavours to contact Directors by telephone) and for the purpose or purposes only as shall be specified in the authorisation. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom.
- 7.2 Questions arising at a board meeting or a meeting of any committee or sub-committee shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall be entitled to a second casting vote.
- 7.3 The quorum for the transaction of the business of the Directors shall be six, of whom at least three must be "A" Directors and at least three must be either "B" Directors or "B" Directors and "C" Directors (of which three, at least two must be "B" Directors). An alternate director shall count as one only for the purpose of determining whether a quorum is present at any meeting of the Directors. If within an hour from the time appointed for holding the meeting of the Directors a quorum is not present, the meeting shall stand adjourned to the same day of the next week for the same time and place.
- 7.4 With the authority of the Board and subject to such restrictions (if any) and for such purposes only as shall be specified in the authorisation, a Director may be deemed to be present at a meeting of the Directors if via telephones he is able to hear all other persons present at the meeting and they are able to hear him.
- 7.5 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it is discovered later that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 7.6 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
- 7.7 A Director may vote (and his vote shall be counted), at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, whether by reason of his membership of the Scheme or of the Old Scheme or otherwise; and in relation to any such

resolution he shall (whether or not he exercises his vote) be taken into account in calculating the quorum present at the meeting.

- 7.8 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman and his ruling in relation to any Director other than himself shall be final and conclusive.
- 7.9 A Director, including an alternate director, who is in any way, whether directly or indirectly, interested in any shares of the Employer Shareholder or any of its subsidiaries from time to time shall immediately give written notice of the nature of his interest to the Directors at the registered office.

Powers of Directors

- 8.1 Subject to the provisions of the Act, the Memorandum of Association and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum of Association or of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors. The Directors may appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
- 8.2 Any decision or resolution on any of prescribed matters (as defined below) may only be passed by the votes of at least eleven Directors present at and entitled to vote at the relevant board meeting at which such prescribed matters are considered. For these purposes a Director may be deemed to be present at the meeting as described in Article 7.4.
- 8.3 In this Article "any scheme" means any of the Scheme or either of them, or the Old Scheme, and the "prescribed matters" means any or all of the following:-
- 8.3.1 overall investment policy in relation to the funds of any scheme or any change in the identity of the investment manager of any scheme;
- 8.3.2 augmentation of benefits under any scheme or the application of surplus in relation to any scheme;
- 8.3.3 the making of any payment to any employer under any scheme;
- 8.3.4 bulk transfers or any other transfer without the consent of the person in respect of whom it is made into or out of any scheme or the inclusion in any scheme of any associated company of Mirror Group;
- 8.3.5 the funding of any scheme;
- 8.3.6 any question relating to the removal of the Company as trustee of any

scheme;

8.3.7 the amendment of any scheme;

8.3.8 any authorisation by the Directors pursuant to Article 7.1;

8.3.9 any authorisation by the Directors pursuant to Article 7.4;

8.3.10 the exercise by the Company of any power which it may have to borrow;

8.3.11 any delegation to a committee under Article 10 by the Directors regarding any prescribed matter.

Borrowing Powers

9. The Directors may, subject only to the terms of the Scheme and the Old Scheme and these Articles, exercise all the powers of the Company to borrow money and grant any mortgage, charge or standard security over its undertaking and property, or any part of it as security for any debt, liability or obligation of the Company.

Delegation to Committees

- 10.1 The board may delegate any of its powers, authorities and discretions (including its powers, authorities and discretions in respect of prescribed matters) for such time and upon such terms and subject to such conditions as it thinks fit to any committee or sub-committee consisting of an equal number or equal numbers of "A" and "B"/"C" Directors and may from time to time revoke, withdraw, alter or vary all or any of such powers and discharge any such committee or sub-committee in whole or in part. Any delegation under this Article by the board of its powers in respect of prescribed matters shall be subject to the provisions of Article 10.3.
- 10.2 Subject to Article 10.3, each committee or sub-committee shall include and only be quorate if at least one "A" Director, one "B" Director and one "C" Director are present. For these purposes only an alternate director shall count for the Director who appointed him as an alternate as well as himself (if he is a Director) in determining whether a quorum is present.
- 10.3 The extent of any delegation by the board of its powers in respect of a prescribed matter must be clearly defined. Without prejudice to Articles 10.1 and 10.2, any committee or sub-committee of the board of directors of the Company dealing with prescribed matters shall be chaired by the Chairman or in his absence the "A" Deputy Chairman or the "B"/"C" Deputy Chairman who shall have been nominated to act as deputy chairman of such committee or sub-committee in accordance with Article 12. When dealing with prescribed matters the quorum for a meeting of a committee or sub-committee shall be one "A" Director, one "B" Director and one "C" Director. An alternate director shall count as one only for the purpose of determining whether a quorum is present at such a meeting. Any decision or resolution on any prescribed matter may only be passed by the votes of all the Directors present and entitled to vote at the committee or sub-committee meeting at which such prescribed matters are considered.

Chairman

- 11.1 At the date of the adoption of these Articles the chairman of the board of Directors is Philip Sheridan. On 31st March each year the Chairman shall retire from office but shall, subject to the terms of these Articles, be eligible for re-election then and subsequently every 12 months provided that each subsequent term of office is approved by at least eleven of the other Directors at a board meeting duly convened to consider such re-election. The person holding office as chairman pursuant to this Article 11, including, but without limitation, Philip Sheridan, shall be defined as Chairman.
- 11.2 Upon the death of the Chairman or his otherwise ceasing to hold office, the Directors may appoint a new Chairman on the same terms as mentioned above provided that such appointment is unanimously agreed by the Directors and that any new Chairman is not the Employer Shareholder, an "A" Director, a "B" Director, a "C" Director, the Company secretary, an officer or employee of Mirror Group or any holding company of Mirror Group and/or the Employer Shareholder or any associated or connected company (as defined in the Act) of Mirror Group and/or the Employer Shareholder or a beneficiary under the Scheme or the Old Scheme.
- 11.3 Save in the case of resignation, ill health or incapacity (as a result of which the Chairman's capacity to perform his duties is impaired), in which case the Chairman may be removed from office by resolution of the Directors, the Chairman shall not be removed from office unless at least eleven of the Directors (but excluding the Chairman) so resolve at a board meeting duly convened for that purpose.
- 11.4 Subject to the provisions of this Article and Article 12 below the Chairman shall preside as chairman at all meetings of the board and of the shareholders.

Deputy Chairman

- 12.1 The Chairman shall nominate the following:-
- 12.1.1 one "A" Director and one "B" Director or "C" Director to act as his deputy, in his absence, at board and shareholder meetings;
- 12.1.2 for the purposes of each committee and sub-committee of the board, one "A" Director and one "B" or "C" Director from amongst the existing members of that committee or sub-committee to act as his deputy, in his absence, at meetings of such committee or sub-committee.
- 12.2 All nominations made in accordance with Article 12.1 are subject to the approval of a meeting of the board of Directors and shall be reviewed at each board meeting which is convened under Article 11.1 to consider the re-election of the Chairman. For the purposes of these Articles any person so nominated and approved by the board under this Article shall be referred to as the "A" Deputy Chairman if he is an "A" Director and the "B"/"C" Deputy Chairman if he is a "B" or a "C" Director.
- 12.3 On the first occasion that the Chairman is absent from a board meeting the "A"

Deputy Chairman shall be chairman of such board meeting and on the following occasion that the Chairman is absent, the "B"/"C" Deputy Chairman shall be chairman of that board meeting. Thereafter, on each occasion that the Chairman is absent the chairing of board meetings shall alternate between the "A" Deputy Chairman and the "B"/"C" Deputy Chairman. If the Chairman is not present at a meeting of the board and the Deputy Chairman who was due to chair that meeting is also absent, the other Deputy Chairman (if present) should take the chair. In that event, the person due to take the chair when next the Chairman was absent from a meeting of directors should be the Deputy Chairman who was absent at the said earlier meeting (with alternation between the Deputy Chairmen for future meetings thereafter as described above).

- 12.4 If at a meeting of the Directors the Chairman and both Deputy Chairmen are all absent, and in the absence of the Chairman, the "A" Deputy Chairman would have been due to chair that meeting, the "A" Directors present shall choose a chairman for that meeting and, if in the absence of the Chairman the "B/C" Deputy Chairman would have been due to chair that meeting the "B" and "C" Directors present shall choose a chairman for that meeting. In this eventuality, the Deputy Chairman due to take the chair at the next meeting of Directors at which the Chairman was absent should be the same Deputy Chairman who had been due to take the chair at the said earlier meeting. For the avoidance of doubt, an alternate of the Chairman or a Deputy Chairman should not be entitled to chair a meeting for that reason alone.
- 12.5 Any Deputy Chairman or person appointed as chairman in the absence of the Chairman and the Deputy Chairmen shall not have a casting vote in addition to his vote as a Director.
- 12.6 The provisions of Articles 12.3, 12.4 and 12.5 above shall apply, mutatis mutandis, to meetings of the Company's shareholders and to the meetings of each committee and sub-committee of the board.

Secretary

13. Subject to the provisions of the Act, the secretary shall be appointed by the Directors for such term, at such remuneration, if any, and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

Minutes

14. The Directors shall ensure that minutes are kept of:
- 14.1 all appointments of officers made by the Directors; and
- 14.2 all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Directors, including the names of the Directors present at each such meeting.

The Seal

- 15.1 If the Company has a seal it shall be used only with the authority of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by two Directors.
- 15.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

Directors' Interests

- 16.1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-

16.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

16.1.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

16.1.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- 16.2 For the purposes of Article 16.1:-

16.2.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

16.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

Indemnity

- 17.1 Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the court, and no Director or other

officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall have effect only in so far as its provisions are not avoided by section 310 of the Act.

- 17.2 The Directors shall have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act.

PART II: SHARE CAPITAL AND SHAREHOLDERS' BUSINESS

Share Capital

- 18.1 The authorised share capital of the Company is £14 divided into seven "A" Ordinary shares of £1 each ("A" Shares"), five "B" Ordinary shares of £1 each ("B" Shares") and two "C" Ordinary shares of £1 each ("C" Shares). Save as provided in these Articles the "A" Shares, the "B" Shares and the "C" Shares shall rank pari passu in all respects.
- 18.2 No person other than:-
- 18.2.1 the Employer Shareholder from time to time may be the registered holder of or beneficially interested in any "A" Share;
- 18.2.2 a "B" Director from time to time may be the registered holder of or beneficially interested in any "B" Share;
- 18.2.3 a "C" Director from time to time may be the registered holder of or beneficially interested in any "C" Share.
- 18.3 For the purposes of section 125 of the Act, (i) the "A" Shares; and (ii) the "B" Shares together with the "C" Shares shall constitute separate classes of shares and, subject to the provisions of these Articles, any increase in the authorised or issued share capital of the Company, any consolidation or sub-division of any shares in the Company and any alteration of any of the provisions of the Company's Memorandum of Association or of these Articles shall be deemed to be a variation of the special class rights attached to the shares of each class.
- 18.4 No share in the capital of the Company may be issued except in accordance with these Articles.
- 18.5 Subject to sections 125 to 129 (inclusive) of the Act, the provisions contained in these Articles relating to general meetings shall, so far as applicable, apply in relation to any meeting of shareholders required by section 125 of the Act or otherwise to take place in connection with the variation of the rights attached to a class of shares, and shall so apply with the necessary modifications and subject to the following provisions:-
- 18.5.1 the necessary quorum at any meeting of the holders of "B" and "C" Shares shall be five "B" or "C" shareholders;
- 18.5.2 any holder of shares of the class in question present in person or by proxy may demand a poll; and
- 18.5.3 any resolution to vary the rights attached to the "B" and "C" Shares will be passed but only if not less than five holders of "B" or "C" Shares entitled to vote and attend any general meeting convened to consider the variation of the rights attached to the "B" and "C" Shares vote in favour of such resolution.

- 18.6 A resolution in writing executed or signed by or on behalf of each shareholder (or his attorney) who would have been entitled to vote upon it if it had been proposed at either a separate meeting of the holders of a class of shares or at a general meeting of the Company's shareholders shall be as effectual as if it had been passed at any such meeting duly convened and held and may consist of separate instruments in like form each executed by or on behalf of one or more shareholders.

Share Certificates

19. Upon becoming a shareholder a person shall be entitled to one certificate for all the shares of each class held by him. Every certificate shall be sealed with the Company seal (if any) and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up in respect of it. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

Directors' Qualification Shares and Transfer of Shares

- 20.1 Each "B" Director and each "C" Director from time to time shall on appointment as a Director become the registered holder of one "B" Share or one "C" Share (as the case may be). Upon ceasing to be a Director, the individual concerned shall immediately transfer his share to his successor in office. For this purpose, the Company is hereby constituted the agent of each "B" Director and "C" Director from time to time to execute on their behalf the stock transfer form and any other document required to give effect to such share transfer and to this end, any two "B" and/or "C" Directors may execute the same on behalf of the Company.

- 20.2 The Directors shall register the transfer of a share in the Company but only if it is:-

20.2.1 a transfer by the Employer Shareholder to any subsidiary or holding company, or subsidiary of any holding company, of the Employer Shareholder or to a nominee for the Employer Shareholder, in each case which is a participating employer in respect of the Scheme; or

20.2.2 the transfer of a share in accordance with Article 20.1.

General Meetings and Resolutions

- 21.1 The Directors may call general meetings at any time and, on the requisition of shareholders (in accordance with the provisions of the Act), shall proceed to convene a general meeting for a date not later than 8 weeks after receipt of the requisition.
- 21.2 Subject to Article 21.3 a general meeting called for the passing of a special resolution shall be called by at least 21 clear days' notice and any other general meetings shall be called by at least 14 clear days' notice.
- 21.3 A general meeting may be called by shorter notice if so agreed:-

21.3.1 in the case of an annual general meeting, by all the shareholders entitled to attend and vote at such a meeting; and

21.3.2 in the case of any other general meeting by a majority in number of the shareholders having a right to attend and vote being a majority together holding not less than 95 per cent in nominal value of the shares giving that right,

- 21.4 Every notice convening a general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and shall comply with the provisions of section 372(3) of the Act as to the provision of information to shareholders regarding their right to appoint proxies; notices of and other communications relating to a general meeting which any shareholder is entitled to receive shall also be sent to the Directors and to the auditors, if any, for the time being of the Company.
- 21.5 The Chairman and any Director (notwithstanding in the case of the Chairman and an "A" Director that he is not a shareholder,) shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 21.6 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 21.7 The quorum necessary for the transaction of the business of the Company shall be four shareholders, of whom one must be the Employer Shareholder and three must be holders of "B" Shares or of "C" Shares (of which three, at least two must be holders of "B" Shares), or, in any case, the duly appointed proxy of the shareholder concerned.
- 21.8 If within half an hour from the time appointed for holding the meeting of the Company a quorum is not present the meeting shall stand adjourned to the same day of the next week for the same time and place; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.
- 21.9 The Chairman may, with the consent of the shareholders present at a quorate general meeting (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

Votes of Members

- 22.1 A resolution put to the vote of shareholders shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by

the Chairman or by a shareholder or shareholders or their respective proxies.

- 22.2 Subject to the provisions of Article 2, on a show of hands every member present in person shall have one vote. On a poll each shareholder present in person or by proxy shall have one vote per share held by him. Notwithstanding the other provisions of this paragraph, in the event that the holder of any "B" Share shall have ceased to be a "B" Director, that holder shall not be entitled to any vote but the remaining "B" Directors may by unanimous decision decide among themselves how the voting rights in respect of that "B" Share shall be exercised whether on a show of hands or a poll. In the event that the holder of any "C" Share shall have ceased to be a "C" Director, the remaining "C" Director may exercise the voting rights in respect of that "C" Share, either on a show of hands or a poll.
- 22.3 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman (but not a deputy or substitute chairman acting in his absence including, without limitation, any "A" Deputy Chairman and any "B"/"C" Deputy Chairman), shall have a casting vote.
- 22.4 Unless a poll is duly demanded a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 22.5 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in such form as the Directors may approve. To be valid it must be deposited at such place and by such time as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting.

Notices

- 23.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing.
- 23.2 The Company may give any notice to a shareholder either personally or by sending it by post in a prepaid envelope addressed to the shareholder at his registered address or by leaving it at that address. In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of shareholders in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A shareholder whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such shareholders shall be entitled to receive any notice from the Company.
- 23.3 A shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

- 23.4 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of shareholders, has been duly given to a person from whom he derives his title.
- 23.5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
- 23.6 A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a shareholder by sending or delivering it, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.